

IRREVOCABLE LETTER OF CREDIT

,

**First National Bank Of Morgan
5015 W Old Highway Rd
P.O. Box 870
Morgan, Utah 84050**

**Issued in Favor of: State of Utah, Department of Natural Resources
Division of Oil, Gas, and Mining and/or
Bureau of Land Management, Fillmore Field Office**

For: Rex Wingle dba Davies, Wingle & Davies

Expiration: April 25, 2008

Dear Sirs :

We hereby establish an irrevocable letter of credit in your favor for the account of Rex Wingle in the amount of \$18,750 (eighteen thousand seven hundred fifty dollars) available by your draft at sight upon written demand signed by a representative of the State of Utah, Division of Oil, Gas, and Mining

The draft (written demand) must be presented at First National Bank Of Morgan 5015 W Old Highway Rd, Morgan, Utah 84050.

We hereby agree with you that all drafts (demands submitted) under and in compliance with the terms of this letter of credit will be duly honored on delivery of documents as specified, if presented on or before the date mentioned above.

This letter of credit is governed by Utah Code Annotated 70a-5-101, et seq., 1953 as amended (Uniform Customs Practice for Documentary Credits [1983 Revision], International Chamber of Commerce Publication No. 400) and jurisdiction for resolution of disputes arising under this letter of credit lies in the courts of the State of Utah.

First National Bank Of Morgan

**By: Kent W. Francis V.P.
Kent W. Francis Vice Pres**